

FBI

Date: 10/17/61

Transmit the following in PLAIN TEXT

(Type in plain text or code)

Via AIRTEL

(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-2894)

FROM: SAC, CHICAGO (92-347)

PAUL DE LUCIA, aka.
ARb3
b6
b7C per IRS

CHARLES E. LEGGETT

It is necessary that two of the above parties must
co-sign at the same time before entry into this box is achieved.

- ③ - Bureau
1 - Chicago
HDS:LMS
(4)

EX-116

REC-23

13 OCT 19 1961

T. C. Wick

Approved: *James H. Gale*

Sent

M

Per

Special Agent in Charge

58 OCT 26 1961

b6
b7C

CG 92-347

At the present time [] has this box under surveillance and has obtained jeopardy writs to prevent this box or its contents from being disturbed. One attempt has been made to enter this box since IRS received the information by a group of three males who drove to the Association in a car of JOSEPH BULGER (BULGER is known to be a close associate of the subject and is known to have associated with other top hoodlums in the Chicago area).

b7E

Mr. ALI has suggested the possibility that this money is being intended for the subject inasmuch as he is scheduled for release from the U. S. Penitentiary at Terre Haute, Indiana, this month.

The investigation by [] to this date has developed that the identities of the parties to this box are fictitious as far as they have been able to determine.

b7E

[] contemplates opening this box this week. The Bureau will be kept advised of all pertinent developments.

GALE

10/23/61

AIRTEL

TO: SAC, Chicago
FROM: Director, FBI
PAUL DE LUCIA, aka.
AR

Reurairtels 10/17 and 10/19/61.

If not already done, you should establish coverage of the subject to determine his contacts with Chicago hoodlums. In view of his former prominence in hoodlum circles, you should immediately institute an all-out investigation concerning him in the event he resumed racketeering activities and - re-establishes contact with Chicago underworld figures.

You should also follow very closely developments in connection with the opening by [] of a safety deposit box at the Cook County Federal Savings and Loan Association, which was originally believed to contain hoodlum money. Auxiliary offices having leads in this regard should be followed very closely in order to assure that the matter is given prompt investigative attention. The Bureau should be kept closely advised of all developments of interest.

b7E

b3 per IRS

NOTE DeLucia, a nationally notorious Chicago hoodlum and a former member of the ruling hierarchy in underworld circles, is due for release from Federal Penitentiary where he has served

[]
No money was found when the box was opened but it did contain paper cut in packages to simulate packets of bills. Chicago and Las Vegas are following this situation to determine the possibility that money may have been diverted from union funds or hoodlum sources for the purchase of an interest in Las Vegas casinos.

JGL:Swb
(4)

MAIL ROOM ☐

TELETYPE UNIT ☐

Tolson _____
Belmont _____
Mohr _____
Callahan _____
Conrad _____
DeLoach _____
Evans _____
Malone _____
Rosen _____
Sullivan _____
Tavel _____
Trotter _____
Tele. Room _____
Ingram _____
Gandy _____

REC- 51

92-2894-60

EX 100

Stefan
[Signature]

FBI

Date: 10/19/61

Transmit the following in _____
(Type in plain text or code)Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

Mr. Tolson	_____
Mr. Belmont	_____
Mr. Mohr	_____
Mr. Casper	_____
Mr. Conrad	_____
Mr. DeLoach	_____
Mr. Evans	_____
Mr. Malone	_____
Mr. Rosen	_____
Mr. Sullivan	_____
Mr. Tavel	_____
Mr. Trotter	_____
Tele. Room	_____
Mr. Ingram	_____
Miss Gandy	_____

TO: DIRECTOR, FBI (92-2894)

FROM: SAC, CHICAGO (92-347)

SUBJECT: PAUL DE LUCIA, aka
ARRe Chicago airtel to the Bureau, 10/17/61, and
Chicago telephone call to the Bureau, 10/19/61.b3
b6
b7C per IRS

- ③ - Bureau
2 - Las Vegas (Info)
1-92-423
1-92-FRANK WESTER;
2 - Chicago
1-92-1045

REC-45
OCT 25 1961VLI:rmh
(7)Approved: _____
Special Agent in Charge

Sent _____ M Per _____

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[REDACTED]

On 10/19/61, safety deposit box numbered 2618 was opened in the presence of [REDACTED] ATTD, and FBI Agents. In this box was found a sealed canvas money bag which contained the name of the Federal Reserve Bank of Chicago on it. In this bag were 14 packs of plain white paper which had been cut to money size, banded by common bank money wrappers. Imprinted on 13 of the money wrappers was the number 100 and on one pack was the number 500, which numbers did not necessarily refer to the denominations of the paper contained therein. It is possible that the above was to simulate \$1,215,000 in U. S. currency which is the amount of a loan to a [REDACTED] which will be explained further below.

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In the safety deposit box numbered 1906 was found a "trust receipt" dated 6/12/61, which reads as follows:

"Receipt from [REDACTED] the following document to wit: One - No Protest Cash Order number 348 dated October 14, 1960, drawn on the account of Credit Suisse Trust X.L. 1747 in the Swiss Credit Bank, Zurich, Switzerland, in the sum of \$2,750,000 payable to [REDACTED] endorsed in blank by said [REDACTED]. The above to be held as collateral for a loan made by [REDACTED] [REDACTED] in the amount of \$1,215,000 due on or before six months from date hereof at $\frac{1}{2}$ per cent per month. The above collateral is to be returned at once upon a repayment of the above loan."

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b7C

"/s/ [REDACTED]" b6
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In brief the above "trust receipt" indicates receipt of \$1,215,000 as a loan by [REDACTED] not otherwise identified, to [REDACTED] who apparently deposited a check for \$2,750,000 in a Swiss bank as collateral.

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b7C per IRS

IRS Agent [REDACTED] advised that investigation

[REDACTED]

respectively. [REDACTED] is a Chicago attorney who was recently seen in the company of JOSEPH GLIMCO, a Chicago top hoodlum who is the President of Local 777, Chicago Taxi Cab Drivers Union. [REDACTED] and JOSEPH BULGER share separate law offices at 188 West Randolph Street in Chicago. [REDACTED]

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CG 92-347

is also acquainted with SAM GIANCANA and has in recent months spent considerable time in Las Vegas where he is reported to have purchased 2% for three million dollars of the New Frontier Hotel, possibly representing hoodlum interests. [redacted] during 10/61, came from Las Vegas with an individual named WESTER to discuss with [redacted] of the New Frontier Hotel, the purchase price of the New Frontier Hotel.

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CHARLES LEGGETT referred to above is an individual from Chicago who is an ex-convict and has been known as a confidence man. LEGGETT has been associating with [redacted] in the recent past.

It is interesting to note that the Las Vegas Division advised during April, 1961, that [redacted] then 98% owner of the New Frontier Hotel and Casino, was negotiating to sell his ownership to one [redacted] both from Chicago who had indicated intent to purchase both physical property as well as the casino. [redacted] is presently the [redacted] of the Cook County Federal Savings and Loan Association where the safety deposit boxes are located and admits to an association with [redacted] and CHARLES LEGGETT.

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b3
b6

IRS Agent [redacted] said [redacted]

b7C per IRS

[redacted]

In view of the fact that CHARLES LEGGETT, a known con man, is involved in the above transactions it is possible that this situation could be the result of a confidence-type game. The possibility also exists that the \$1,215,000 was actually in the safety deposit box and could have been removed by a bank official, possibly SIDNEY DE LOVE, and this dummy package substituted in its place. It is also possible that the above transactions could have some dealings with the purchase of the New Frontier Hotel and Casino in Las Vegas in view of the individuals involved. In any event the loan of \$1,215,000 to [redacted] is payable on or before six months from date of trust agreement, 6/12/61, and if this money was in fact embezzled or borrowed during this period some sort of pressure will undoubtedly be brought to bear on one of the individuals involved from the individual who loaned this money and is identified only through his initials "L.L."

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CG 92-347

The Las Vegas Division is requested to ascertain what transactions, if any, took place concerning the sale of the New Frontier Hotel as well as any transactions [redacted] and [redacted] may have consummated, which could have some bearing on the above situation.

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The Chicago Division is following this situation very closely with [redacted] so that the Bureau can be apprised of all pertinent developments.

GALE